P.I.P.E.R.

Fixed-income performance

Cumulative periods ending 12/31/83.

	No. of years 1	5	10	DCR
	%			
Allied Bank, Texas	6.8	12.4	9.6	1
American Fletcher, Ind.	8.2	8.0	8.0	5
American Fletcher (Int.), Ind.	8.7	8.6	8.3	4
American National, Minn.	5.2	10.4	(1)	—
American Natl., Austin, Texas	2.6	11.3	(1)	—
American Natl. Chicago	8.9	11.0	8.7	2
American Security, D.C.	6.9	11.6	11.0	1
AmeriTrust, Ohio	7.5	8.7	7.4	8
AmeriTrust (res.), Ohio	8.7	12.7	(1)	—
AmSouth, Ala.	6.2	6.9	6.5	10
AmSouth, Ala.	4.2	(1)	(1)	—
BancTexas, Dallas	8.2	10.7	8.4	3
Bank of America, Calif.	6.6	7.2	7.4	8
Bank of California	4.6	9.2	7.9	6
Bank of New England, Mass.	8.0	11.7	8.0	5
Bank of New York	9.0	9.8	(1)	1
Bank of Oklahoma	9.1	7.4	7.0	9
Bank of Southwest, Texas	2.6	6.6	6.9	9
Bank One, Ohio	5.2	(1)	(1)	—
Bankers Trust (A), N.Y.	4.3	10.2	8.3	4
Bankers Trust (B), N.Y.	9.0	11.6	9.1	2
Bessemer Trust, N.Y.	5.4	9.8	(1)	—
Beverly Bank, Ill.	11.4	12.4	9.3	1
Boatmen's National, Mo.	3.5	11.5	(1)	—
Boston Safe Deposit	5.3	9.0	6.9	9
California First Bank	10.6	9.0	9.6	1
Centerre Trust, Mo.	4.3	11.0	9.1	2
Central Bank Denver, Colo.	5.8	7.4	(1)	—
Central Fid., Lynchburg, Va.	12.6	10.8	8.2	4
Central Fid., Richmond, Va.	9.3	9.2	7.5	7
Central Natl., Cleveland	6.0	9.6	7.7	6
Central Pennsylvania	10.2	(1)	(1)	—
Central Trust, Ohio	5.8	10.0	7.8	6
Chase Manhattan, N.Y.	4.5	8.6	(1)	—
Chemical Bank, N.Y.	5.8	7.5	7.3	8
Chicago Title & Trust	8.8	8.7	7.6	7
CIGNA Corp. Conn.	9.5	9.8	9.3	2
Citibank, N.Y.	9.0	9.6	8.1	4
Citizens Fidelity, Ky.	5.9	10.0	8.2	4
Citizens & Southern, Ga.	6.6	6.5	6.9	9
City Trust, N.J.	9.7	(1)	(1)	—
Colonial Am. Natl., Va.	9.1	9.4	(1)	—
Colorado Natl. Bank	7.6	8.5	7.6	7
Comerica Bank, Mich.	3.6	8.6	7.9	6
Comerica Bank (Int.), Mich.	7.9	(1)	(1)	—
Commerce Union, Tenn.	0.8	11.5	10.1	1
Commonwealth Natl., Pa.	5.5	9.7	7.3	8
Connecticut National Bank (EB)	8.8	9.6	(1)	—
Connecticut National Bank (Int.)	6.2	(1)	(1)	—
Continental Bank, Pa.	4.8	8.2	7.1	9
Continental Illinois	3.1	5.8	6.6	10
Crocker National, Calif.	8.4	10.3	8.4	3
Crown Life, Ontario	6.9	8.4	7.4	8
Cullen Bank, Texas	10.3	12.4	9.3	1
Dauphin Deposit, Pa.	7.0	10.0	(1)	—
Equibank, Pa.	9.3	8.2	(1)	—
Equitable Life, N.Y.	2.7	6.0	5.8	10
Fidelity Bank, Okla.	6.9	8.8	7.1	9
Fidelity Bank, Pa.	5.9	11.9	9.7	1
Fidelity Union, N.J.	6.6	8.7	7.6	7
Fidelity Union (Int.), N.J.	6.9	11.5	9.3	2
Fifth Third Bank, Ohio	6.7	(1)	(1)	—
First Bank Milwaukee	7.3	10.9	7.8	6
First Citizens, N.C.	10.1	(1)	(1)	—
First City Dallas	8.6	8.5	6.9	9
First City Natl., Houston	4.0	7.7	7.3	8
First Interstate of Calif.	10.9	11.2	9.1	2
First Interstate of Nevada	9.2	(1)	(1)	—
First Interstate of Oregon	8.1	9.2	7.7	7
First Interstate of Wash.	8.0	9.5	7.5	7
First Jersey Natl., N.J.	8.2	11.9	9.6	1
First Kentucky Trust	9.1	11.4	8.8	2
First Merch., Richmond, Va.	10.5	13.0	10.1	1
First Natl., Jackson, Miss.	12.8	10.5	(1)	—
First Natl., Lincoln, Neb.	8.4	9.9	8.0	5
First Natl. of Commerce, La.	6.7	10.6	8.0	5
First Natl. of Tulsa, Okla.	4.9	9.0	7.3	9
First Natl. State, N.J.	10.3	10.3	8.1	4
First of Allentown, Pa.	5.9	(1)	(1)	—
First of Boston	6.5	8.3	6.9	9
First of Chicago	7.7	9.3	7.6	7
First of Cincinnati	8.7	9.1	7.6	7
First of Cincinnati (Int.)	7.0	(1)	(1)	—
First of Elgin, Ill.	8.7	10.6	(1)	—
First of Grand Island, Neb.	10.1	(1)	(1)	—
First of Kansas City, Mo.	8.5	11.8	(1)	—
First of Kenosha, Wis.	3.9	4.8	4.9	10
First of Minneapolis	6.9	7.5	7.6	7
First of Mobile, Ala.	9.0	9.6	7.7	7
First of Neenah, Wis.	9.0	11.0	9.3	2
First of Neenah (int.), Wis.	8.3	11.1	(1)	—
First of Neenah (mtg.), Wis.	11.8	11.0	(1)	—
First of Oklahoma	7.1	5.3	(1)	—
First of Pennsylvania, Erie	9.3	11.5	8.5	3
First of Shreveport, La.	7.3	7.0	(1)	—
First of Warsaw, Ind.	9.7	10.8	7.9	6
First Pennsylvania Bank	2.7	7.2	7.9	6
First Tennessee Chat.	4.4	10.0	6.8	10
First Tennessee, Memphis	5.7	8.6	8.0	5
First Trust Corp., Conn.	7.8	8.3	7.9	6
First Trust, St. Paul, Minn.	7.3	9.7	8.0	5
First Union Bank, N.C.	8.6	9.7	7.9	5
First Variable Life, Ark.	17.0	12.4	(1)	—
First Wis. Natl., Madison	9.5	11.0	8.8	2
First Wisconsin Trust	7.3	8.6	7.8	6
Fleet Natl. Bank, R.I.	6.7	9.1	7.3	8
Florida Natl. Bank	8.7	9.9	(1)	—
Fourth Natl. Tulsa, Okla.	9.7	8.9	(1)	—
Fourth Natl., Wichita, Kan.	6.3	13.3	10.1	1
Gary Wheaton Bank, Ill.	11.0	10.6	7.8	6
General American (Acct.8), Mo.	7.2	(1)	(1)	—
General American (Acct.9), Mo.	8.8	(1)	(1)	—
Genesee Merchants, Mich.	8.6	10.3	8.2	4
Girard Bank, Pa.	6.7	9.8	7.7	7
Greeley Natl., Conn.	7.3	9.8	(1)	—
Hamilton Bank, Pa.	10.1	10.6	(1)	—
Harris Trust, Ill.	5.9	6.5	7.2	9
Hawaiian Trust	−0.2	8.2	7.1	9
Heritage Trust, Wis.	9.2	9.7	5.9	10
Hibernia National, La.	7.0	12.2	10.4	1
HT Investors Inc., R.I.	8.2	8.1	6.8	9
Huntington Banks, Ohio	7.0	7.9	6.3	10
IAA Trust Co., Ill.	10.2	8.7	(1)	—
Indiana National Bank	7.0	10.4	(1)	—
Interfirst Invt. Mgmt., Texas	6.3	9.6	8.0	5
Interfirst Invt. Mgmt. (Int.), Texas	7.7	12.4	(1)	—
Irving Trust, N.Y.	8.2	9.8	8.2	4
Irwin Union Bank, Ind.	8.1	8.9	6.7	10
Jefferson Trust, Ill.	8.4	12.4	9.9	1
Kellogg Bank, Wis.	8.9	9.3	8.2	4
Key Trust Co., N.Y.	10.8	10.5	8.0	5
Lake Shore Natl., Ill.	11.4	9.2	7.7	7
Landmark First Natl., Fla.	8.4	9.6	(1)	—
Landmark Union Trust, Fla.	8.1	10.8	8.5	3
Liberty Natl., Ky.	8.1	8.8	(1)	—
Lincoln National, Ind.	9.7	9.0	7.9	6
Lloyds Bank, Calif.	12.2	11.0	8.5	3
Long Island Trust, N.Y.	8.5	7.6	(1)	—
Manufacturers Detroit	5.8	10.4	8.4	3
Manufacturers Hanover, N.Y.	5.0	11.7	9.4	1
Manufacturers Life, Ontario	−3.1	(1)	(1)	—
Manufacturers & Trader, N.Y.	8.5	8.5	7.4	8
Marine Bank, Pa.	9.7	(1)	(1)	—
Marine Midland, N.Y.	9.1	8.7	7.4	8
Marine Trust, Wis.	6.7	11.0	7.8	6
Marquette Natl, Minn.	9.6	9.4	8.2	4
Maryland National	7.3	6.6	5.9	10
Maryland National (II)	8.2	9.9	(1)	—
Massachusetts Mutual	8.0	9.9	8.5	3
Mellon Bank, Pa.	7.9	3.6	(1)	—
Mercantile at Dalla	2.4	6.3	6.4	10
Mercantile Sa	6.5	10.2	6.6	2
Mercantile Trust, Mo.	8.9	11.7	9.3	2
Merchants Natl., Ala.	14.1	8.3	7.3	8
Merchants Natl., Iowa	9.6	8.6	(1)	—
Merchants Natl., Ind.	7.4	10.3	8.1	4
Merchants Natl., Pa.	7.7	10.6	(1)	—
Mich. Natl. of Detroit	8.2	8.0	(1)	—
Mich. Natl. of Grand Rapids	8.8	8.7	7.7	7
Midlantic National, N.J.	9.2	9.0	7.7	6
Mid-State Bancorp, Pa.	9.3	11.3	(1)	—
Minnesota Mutual	8.1	9.6	(1)	—
Moline National, Ill.	10.4	9.9	8.2	4
Morgan Guaranty, N.Y.	9.1	9.9	(1)	—
Mutual of N.Y. (priv.)	13.4	(1)	(1)	—
Mutual of N.Y. (pub.)	12.1	9.3	(1)	—
Natl. Bank of Detroit	7.1	9.5	8.1	4
Natl. City Cleveland	5.8	8.3	7.4	8
Natl. of Commerce, Neb.	5.8	7.9	7.3	9
Natl. of Commerce, Tenn.	4.4	(1)	(1)	—
Natl. Westminster, N.Y.	7.8	9.0	7.3	8
New England Mutual, Mass.	5.4	7.2	6.0	10
New Jersey National	5.9	5.6	6.0	10
North Carolina Natl. Bank	8.4	10.7	8.5	3
Northern Central, Pa.	7.4	9.9	(1)	—
Northern Trust, Ill.	7.1	8.7	7.7	6
Norwest Bank, Minn.	8.9	8.5	7.6	7
Ohio Citizens Trust	8.2	10.1	8.4	3
Old Kent, Mich.	9.2	9.0	7.8	6
Old National, Wash.	8.4	8.9	6.9	9
Old Second Natl. (eb), Ill.	8.6	9.4	(1)	—
Old Second Natl. (HR10), Ill.	10.5	10.3	(1)	—
Olympic Bank, Wash.	9.9	10.1	(1)	—
Oregon Bank	8.9	10.9	9.0	2
Ouachita Natl., La.	10.9	9.8	(1)	—
Peoples Trust, Ind.	8.9	9.3	7.5	8
Pioneer Bank,	9.3	(1)	(1)	—
Pittsburgh Natl., Pa.	5.3	10.9	(1)	—
Provident National, Pa.	5.8	9.2	8.0	5
Prudential (VCA 7), N.J.	8.5	8.9	(1)	—
Prudential (VCA 8), N.J.	9.3	(1)	(1)	—
Puget Sound Natl. Wash.	8.1	10.6	8.5	3
Rainier National, Wash.	7.7	7.9	7.0	9
Republic Natl., Dallas	4.8	7.3	6.6	10
Riggs of Washington	11.2	11.9	8.8	2
Seattle First Natl.	3.7	12.6	9.7	1
Seattle Trust	7.1	10.2	(1)	—
Security Natl. Bank, W. Va.	9.9	(1)	(1)	—
Security Pacific (F), Calif.	9.2	(1)	(1)	—
Security Pacific (V), Calif.	17.7	(1)	(1)	—
Security Peoples Trust, Pa.	10.0	11.1	8.5	3
Security Trust, Rochester, N.Y.	9.4	9.1	8.6	2
Shawmut of Boston	6.3	8.3	7.3	8
Shawmut of Boston (Int.)	8.0	(1)	(1)	—
Society Natl., Ohio	11.3	(1)	(1)	—
Southeast Bank, Fla.	9.6	9.5	8.0	5
State Street Bank, Mass.	10.8	9.7	7.8	6
St. Louis County Bank	8.6	10.9	7.9	5
Summit & Elizabeth, N.J.	7.4	10.2	8.4	3
Sun Bank, Fla.	5.1	8.6	(1)	—
Texas Commerce	6.2	13.2	9.3	1
Third Natl. Nashville, Tenn.	6.5	9.2	8.7	2
Toledo Trust	10.0	11.0	7.9	5
Travelers, Conn.	3.2	8.4	(1)	—
Trust Co. of Georgia	6.8	8.9	7.0	9
Unibanctrust, Ill.	9.0	9.7	7.5	8
Union Natl., Wichita, Kan.	7.8	8.6	(1)	—
Union Planters, Tenn.	3.5	10.9	8.2	4
United Missouri, K.C.	8.4	10.4	8.5	3
United of Denver	6.6	10.8	8.4	3
United Virginia Bank	8.4	9.7	8.4	3
US Natl. of Oregon	7.2	7.7	(1)	—
US Trust, N.Y.	5.0	10.3	9.3	2
Valley Natl., Ariz.	7.4	9.2	7.6	7
Virginia Natl.	1.8	6.8	6.6	10
Wachovia Bank, N.C.	4.2	10.2	8.1	4
Wheeling Dollar Bank, W. Va.	7.9	9.4	8.1	5
Wilmington Trust, Del.	−6.0	5.9	6.2	10
LBKL Index	**8.0**	**9.9**	**8.0**	**5**

(1) - Fund too new.
DCR - 10-year decile rank.

Top quartile commingled equity funds

3-month returns

	%
First Union Bank, N.C.	5.8
First Variable Life, Ark.	5.5
Natl. of Commerce, Tenn.	4.5
Lincoln National, Ind.	4.5
Security Natl. Bank, W. Va.	3.7
Bankers Life, Iowa	3.6
Wilmington Trust, Del.	3.4
Natl. Westminster, N.Y.	3.4
Manufacturers & Trader, N.Y.	3.3
Mellon Bank, Pa.	3.0
US Trust, N.Y.	3.0
Colorado Natl. Bank	3.0
Cullen Bank, Texas	2.9
Manufacturers Detroit, Mich.	2.9
Landmark Union Trust, Fla.	2.9
Confederation Life, Ont.	2.6
First of Warsaw, Ind.	2.5
AmSouth, Ala.	2.4
US Natl. of Galveston, Texas	2.3
Mercantile Trust, Mo.	2.3
First of Kenosha, Wis.	2.3
Lincoln Natl., Ind.	2.3
Wheeling Dollar Bank, W. Va.	2.2
First Interstate of Oregon	2.2
Irving Trust, N.Y.	2.2
Centerre Trust, Mo.	2.2
Fidelity Bank, Okla.	2.1
Central Fid., Richmond, Va.	2.1
Citizens Fidelity, Ky.	2.1
Merchants Natl., Pa.	2.0
AmeriTrust, Ohio	1.9
Wachovia Bank, N.C.	1.8
Riggs of Washington	1.8
Massachusetts Mutual	1.8
Provident National, Pa.	1.7
New England Mutual, Mass.	1.7
First Pennsylvania Bank	1.6
Bank of New England, Mass.	1.6
General American, Mo.	1.6
Equitable Life, N.Y.	1.5
Toledo Trust, Ohio	1.5
Lake Shore Natl., Ill.	1.5
First Trust St. Paul, Minn.	1.5
Minnesota Mutual	1.4
Provident Mutual, Pa.	1.4
First Interstate of Nevada	1.4
Greeley Natl., Colo.	1.4
Mutual Benefit, N.J.	1.4
Bank of Delaware	1.4
Boston Safe Deposit, Mass.	1.3
Old Second Natl., Ill.	1.3
Pittsburgh Natl., Pa.	1.2
Jefferson Trust, Ill.	1.2
Central Penn., Pa.	1.2
Mid-State Bancorp., Pa.	1.2
Security Trust, Rochester, N.Y.	1.2
Great West Life Assurance, Man.	1.2
United of Denver, Colo.	1.1
Oregon Bank	1.1
United Virginia Bank	1.1
United Missouri, K.C.	1.0
Old Kent, Mich.	1.0
First of Kansas City, Mo.	1.0
First Citizens, N.C.	1.0
Standard & Poor's 500	**0.4**

1-year returns

	%
Manufacturers Life, Ont.	51.8
First Variable Life, Ark.	44.0
First Union Bank, N.C.	40.1
Provident National, Pa.	35.5
Merchants Natl., Ala.	34.7
Bankers Life, Iowa	34.0
Mercantile Trust, Mo.	33.4
Sun Bank, Fla.	33.3
Seattle Trust, Wash.	33.2
Fidelity Mgmt. Trust, Mass.	32.9
Connecticut Mutual Life	32.8
Bank of New England, Mass.	32.4
American Natl., Chicago	32.2
Minnesota Mutual	32.0
First Wis. Natl., Madison	31.9
First Interstate of Oregon	31.6
United of Denver, Colo.	31.4
Union Central, Ohio	30.8
AmSouth, Ala.	30.1
Mutual Benefit, N.J.	30.0
Natl. of Commerce, Tenn.	29.8
Pioneer Bank, Ill.	29.4
Irving Trust, N.Y.	28.9
Guardian Insurance, N.Y.	28.6
Republic Natl., Dallas	28.3
Texas Commerce	27.5
Mercantile Safe, Md.	27.5
Life of Virginia	27.5
Penn. Mutual Life, Pa.	27.4
Marine Midland, N.Y.	27.3
First of Warsaw, Ind.	27.1
First Merch., Richmond, Va.	26.4
US Natl. of Galveston, Texas	26.4
Mellon Bank, Pa.	26.0
US Natl. of Oregon	25.9
Mercantile Natl., Ind.	25.9
College Ret. Equities Fund	25.1
Manufacturers Detroit	24.9
US Trust, N.Y.	24.9
Cullen Bank, Texas	24.8
AmeriTrust, Ohio	24.6
Bessemer Trust, N.Y.	24.5
Fourth Natl., Tulsa, Okla.	24.4
Massachusetts Mutual	24.2
Chase Manhattan, N.Y.	24.2
Huntington Banks, Ohio	24.1
Resource Bank & Trust, Minn.	23.9
Fidelity Union, N.J.	23.8
Confederation Life, Ont.	23.7
Lake Shore Natl., Ill.	23.7
Bankers Trust, N.Y.	23.7
Security Trust, Rochester, N.Y.	23.5
Chicago Title & Trust	23.4
First of Grand Island, Neb.	23.2
First of Chicago	23.2
First Tennessee Memphis	23.1
Liberty Natl., Ky.	22.9
Morgan Guaranty, N.Y.	22.8
First of Oklahoma	22.6
First Trust, St. Paul, Minn.	22.6
Oregon Bank	22.6
Dauphin Deposit, Pa.	22.6
Standard & Poor's 500	**22.6**

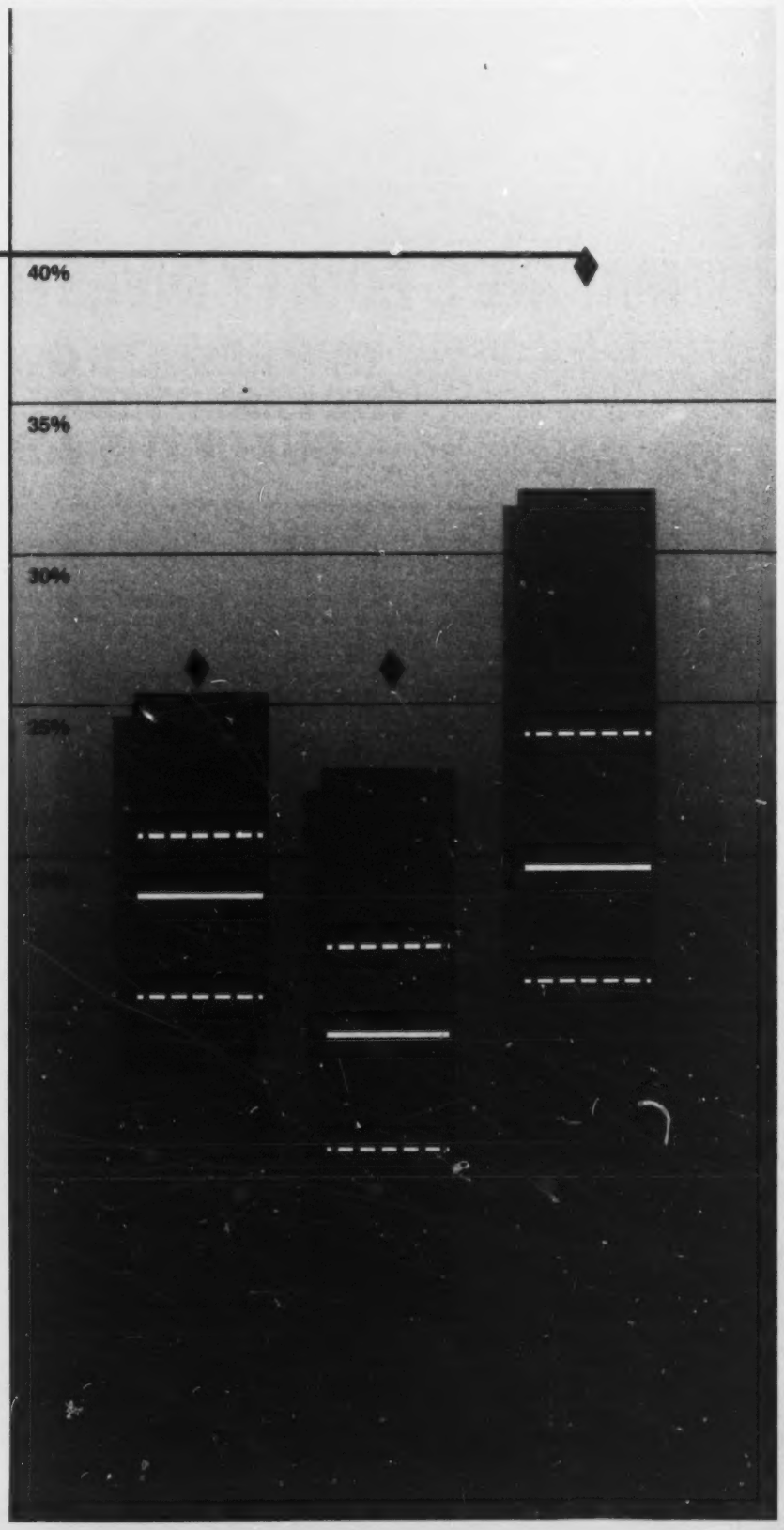
3-year returns

	%
First Variable Life, Ark.	33.1
United of Denver, Colo.	29.6
Manufacturers Life, Ont.	29.4
AmSouth, Ala.	29.0
First Union Bank, N.C.	26.8
Resource Bank & Trust, Minn.	25.6
Sun Bank, Fla.	24.3
First of Oklahoma	22.2
Mutual Benefit, N.J.	22.2
Minnesota Mutual	21.4
American Natl., Chicago	21.4
Connecticut Mutual Life	21.1
First Wis. Natl., Madison	20.7
Huntington Banks, Ohio	20.4
US Natl. of Galveston, Texas	20.4
US Natl. of Oregon	19.9
Employers Life of Wausau, Wis.	19.5
Guardian Insurance, N.Y.	19.5
Seattle Trust, Wash.	19.5
Manufacturers Detroit, Mich.	19.3
Union Central, Ohio	19.3
Provident National, Pa.	19.3
Pioneer Bank, Ill.	19.3
Dauphin Deposit, Pa.	19.3
Massachusetts Mutual	19.1
Lake Shore Natl., Ill.	19.1
First Bank Milwaukee	19.1
Chase Manhattan, N.Y.	19.0
First Interstate of Nevada	18.4
First Tennessee, Chat.	18.1
Confederation Life, Ont.	17.9
Mid-State Bancorp., Pa.	17.9
First Citizens, N.C.	17.9
Wheeling Dollar Bank, W. Va.	17.7
Union Planters, Tenn.	17.6
Society Natl., Ohio	17.5
Merchants Natl., Ala.	17.5
Commonwealth Natl., Ala.	17.4
Fifth Third Bank, Ohio	17.4
United Virginia Bank	17.4
Landmark Union Trust, Fla.	17.4
Colorado Natl. Bank	17.3
Texas Commerce	17.3
Natl. of Commerce, Tenn.	17.3
Philadelphia Life, Pa.	17.2
American Security, D.C.	17.0
First of Warsaw, Ind.	16.7
Bank of Delaware	16.7
State Street Bank, Mass.	16.5
Midlantic National, N.J.	16.4
First Interstate of Oregon	16.3
Boston Safe Deposit, Mass.	16.2
IAA Trust Co., Ill.	16.2
Fourth Natl., Tulsa, Okla.	16.2
First Pennsylvania Bank	16.1
First Tennessee, Memphis	15.8
Security Trust, Rochester, N.Y.	15.6
Bankers Life, Iowa	15.6
First Wisconsin Trust	15.6
Standard & Poor's 500	**12.3**

5-year returns

	%
Manufacturers Life, Ont.	38.7
Employers Life of Wausau, Wis.	27.1
First Union Bank, N.C.	26.8
United of Denver, Colo.	26.4
First of Oklahoma	25.9
Philadelphia Life, Pa.	25.7
Bessemer Trust, N.Y.	25.7
US Natl. of Oregon	25.2
Home Life, N.Y.	24.3
AmSouth, Ala.	24.2
Equitable Life, N.Y.	24.1
Provident National, Pa.	23.8
First Variable Life, Ark.	23.6

First Union Performs.



In fact, we've consistently outperformed 9 out of every 10 investment managers.

Take a look at First Union's performance results in the P.I.P.E.R. Survey. To get our investment team working for you, call Pete Nagle, Vice President, at (704) 374-6152.

FIRST UNION

Take a closer look.℠
1200 First Union Plaza
Charlotte, North Carolina 28288
Member FDIC.

Citizens Chillicothe, Mo.	23.3
Capital Bank-Houston	23.1
First Wis. Natl. Madison	23.0
Texas Commerce	22.6
First Interstate of Nevada	22.6
Confederation Life, Ont.	22.3
First Trust Corp., Conn.	22.2
Sun Bank, Fla.	21.9
Guardian Insurance, N.Y.	21.8
Huntington Banks, Ohio	21.7
Bankers Life, Iowa	21.6
US Natl. of Galveston, Texas	21.5
Wheeling Dollar Bank, W. Va.	21.3
Massachusetts Mutual	21.1
American Natl. Chicago	21.0
Connecticut Mutual Life	20.9
Marine Trust, Wis.	20.8
Rainier National, Wash.	20.6
Penn Mutual Life, Pa.	20.5
Northern Trust, Ill.	20.5
IAA Trust Co., Ill.	20.4
Natl. of Commerce, Neb.	20.3
Mutual Benefit, N.J.	20.2
Sentry Life, Wis.	20.2
California First Bank	20.2
Chase Manhattan, N.Y.	20.2
Natl. City Cleveland	20.2
Unibanctrust, Ill.	20.0
First Natl. of Commerce, La.	20.0
Minnesota Mutual	19.8
Lake Shore Natl., Ill.	19.8
First Tennessee, Memphis	19.8
Manufacturers Detroit	19.8
CIGNA Corp., Conn	19.7
Planters National, N.C.	19.7
Mercantile Safe, Md.	19.7
Landmark Union Trust, Fla.	19.7
Colorado Natl. Bank	19.7
Continental Bank, Pa.	19.6
Citibank, N.Y.	19.6
American Security, D.C.	19.6
Fifth Third Bank, Ohio	19.6
Life of Virginia	19.5
Fourth Natl. Tulsa, Okla.	19.5
Standard & Poor's 500	**17.4**

10-year returns

	%
Manufacturers Life, Ont.	23.8
First Wis. Natl., Madison	20.2
First Variable Life, Ark.	20.0
Philadelphia Life, Pa.	19.5
Guardian Insurance, N.Y.	19.3
Citizens Chillicothe, Mo.	18.5
AmSouth, Ala.	17.4
Bessemer Trust, N.Y.	17.4
Bankers Life, Iowa	16.9
US Natl. of Galveston, Texas	16.9
Confederation Life, Ont.	16.5
US Natl. of Oregon	15.9
First Trust Corp., Conn.	15.7
Employers Life of Wausau, Wis.	15.7
Capital Bank-Houston	14.8
Landmark Union Trust, Fla.	14.7
First of Oklahoma	14.3
Massachusetts Mutual	14.2
First of Kenosha, Wis.	14.2
Natl. of Commerce, Neb.	14.2
Penn Mutual Life, Pa.	13.9
United of Denver, Colo.	13.4
Wheeling Dollar Bank, W. Va.	13.4
Minnesota Mutual	13.3
Fifth Third Bank, Ohio	13.3
Home Life, N.Y.	13.1
First Interstate of Wash.	13.0
Provident National, Pa.	12.9
Life of Virginia	12.9
Equitable Life, N.Y.	12.8
Hibernia National, La.	12.8
First Tennessee, Chat.	12.7
Crown Life, Ont.	12.6
BancTexas Dallas	12.4
Pittsburgh Natl., Pa.	12.3
First Jersey Natl., N.J.	12.3
First Union Bank, N.C.	12.2
Sentry Life, Wis.	12.1
Chicago Title & Trust	12.1
Provident Mutual, Pa.	12.1
Union Central, Ohio	12.1
Security Trust, Rochester, N.Y.	12.0
Texas American Bank	12.0
First Natl. of Commerce, La.	11.9
Bank of Delaware	11.9
First Pennsylvania Bank	11.8
Natl. City Cleveland	11.8
CIGNA Corp., Conn.	11.7
Jefferson Trust, Ill.	11.7
Northern Trust, Ill.	11.7
First Interstate of Oregon	11.7
Standard & Poor's 500	**10.7**

For P.I.P.E.R. subscription information write: P.I.P.E.R., c/o *Pensions & Investment Age*, 740 N. Rush St., Chicago, Ill. 60611.

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Top equity funds by size

1-year returns

Over $100 million

	%
Provident National, Pa.	35.5
Bankers Life, Iowa	34.0
Fidelity Mgmt. Trust, Mass.	32.9
Mutual Benefit, N.J.	30.0
Life of Virginia	27.5
US Natl. of Oregon	25.9
Massachusetts Mutual	24.2
Bankers Trust, N.Y.	23.7
First of Chicago	23.2
Morgan Guaranty, N.Y.	22.2

$50 million to $100 million

	%
First Union Bank, N.C.	40.1
American Natl., Chicago	32.2
AmSouth, Ala.	30.1
Republic Natl., Dallas	28.3
Texas Commerce	27.5
Marine Midland, N.Y.	27.3
Mellon Bank, Pa.	26.0
Manufacturers Detroit	24.9
AmeriTrust, Ohio	24.6
Bessemer Trust, N.Y.	24.5

$10 million to $50 million

	%
Manufacturers Life, Ont.	51.8
First Variable Life, Ark.	44.0
Mercantile Trust, Mo.	33.4
Sun Bank, Fla.	33.3
Seattle Trust, Wash.	33.2
Minnesota Mutual	32.0
First Wis. Natl., Madison	31.9
First Interstate of Oregon	31.6
United of Denver	31.4
Guardian Insurance, N.Y.	28.6

Under $10 million

	%
Merchants Natl., Ala.	34.7
Connecticut Mutual Life	32.8
Bank of New England	32.4
Union Central, Ohio	30.8
Pioneer Bank, Ill.	29.4
Irving Trust, N.Y.	28.9
First of Warsaw, Ind.	27.1
Mercantile Natl., Ind.	25.9
Huntington Banks, Ohio	24.1
Confederation Life, Ont.	23.7

10-year returns

Over $100 million

	%
Bankers Life, Iowa	16.9
US Natl. of Oregon	15.9
Massachusetts Mutual	14.2
Provident National, Pa.	12.9
Life of Virginia	12.9
Equitable Life, N.Y.	12.8
Natl. City Cleveland	11.8
CIGNA Corp., Conn.	11.7
Mutual Benefit, N.J.	11.3
Travelers, Conn.	10.8

$50 million to $100 million

	%
AmSouth, Ala.	17.4
Bessemer Trust, N.Y.	17.4
Hibernia National, La.	12.8
First Union Bank, N.C.	12.2
Sentry Life, Wis.	12.1
First Pennsylvania Bank	11.8
Manufacturers Detroit	11.6
AmeriTrust, Ohio	10.6
Pacific Mutual, Calif.	10.6
First City Natl., Houston	10.5

$10 million to $50 million

	%
Manufacturers Life, Ont.	23.8
First Wis. Natl., Madison	20.2
First Variable Life, Ark.	20.0
Philadelphia Life, Pa.	19.5
Guardian Insurance, N.Y.	19.3
Citizens Chillicothe, Mo.	18.5
US Natl. of Galveston	16.9
First Trust Corp., Conn.	15.7
Employers Life of Wausau	15.7
Landmark Union Trust, Fla.	14.7

Under $10 million

	%
Confederation Life, Ont.	16.5
Capital Bank-Houston	14.8
Wheeling Dollar Bank, W.Va.	13.4
First Tennessee Chat.	12.7
BancTexas Dallas	12.4
Pittsburgh Natl., Pa.	12.3
Provident Mutual, Pa.	12.1
Union Central, Ohio	12.1
First Natl. of Commerce, La.	11.9
Connecticut Mutual Life	11.0

40%

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*Source, A.G. Becker Funds Evaluation Service, Sept. 30, 1983.

Top fixed funds by size

1-year returns

Over $100 million

	%
CIGNA Corp., Conn.	9.6
Prudential, N.J.	9.3
Morgan Guaranty, N.Y.	9.1
Citibank, N.Y.	9.0
Prudential, N.J.	8.5
Irving Trust, N.Y.	8.2
Comerica Bank, Mich.	7.9
First of Chicago	7.7
Natl. Bank of Detroit	7.1
American Security, D.C.	6.9

$50 million to $100 million

	%
Mutual of N.Y.	12.1
Marine Midland, N.Y.	9.1
Norwest Bank, Minn.	8.9
First Union Bank, N.C.	8.6
North Carolina Natl. Bank	8.4
Interfirst Invt. Mgmt., Texas	7.7
Northern Trust, Ill.	7.1
Hibernia National, La.	7.1
First of Minneapolis	6.9
Girard Bank, Pa.	6.7

$10 million to $50 million

	%
Security Pacific, Calif.	17.7
First Natl. Jackson, Miss.	12.8
Lloyds Bank, Calif.	12.2
Riggs of Washington	11.2
First Interstate of Calif.	10.9
Ouachita Natl., La.	10.9
State Street Bank, Mass.	10.8
First Merch. Richmond, Va.	10.5
Moline National, Ill.	10.4
Cullen Bank, Texas	10.3

Under $10 million

	%
First Variable Life, Ark.	17.0
Merchants Natl., Ala.	14.1
Mutual of N.Y.	13.4
Central Fid. Lynchburg, Va.	12.6
First of Neenah, Wis.	11.8
Lake Shore Natl., Ill.	11.4
Beverly Bank, Ill.	11.4
Society Natl., Ohio	11.3
Gary Wheaton Bank, Ill.	11.0
Key Trust Co., N.Y.	10.8

10-year returns

Over $100 million

	%
American Security, D.C.	11.0
Manufacturers Hanover, N.Y.	9.4
Texas Commerce	9.4
US Trust, N.Y.	9.3
CIGNA Corp., Conn.	9.3
Centerre Trust, Mo.	9.1
Irving Trust, N.Y.	8.1
Citibank, N.Y.	8.1
Wachovia Bank, N.C.	8.1
Natl. Bank of Detroit	8.1

$50 million to $100 million

	%
Hibernia National, La.	10.4
Fidelity Bank, Pa.	9.7
North Carolina Natl. Bank	8.5
Bankers Trust, N.Y.	8.3
First Union Bank, N.C.	7.9
First Pennsylvania Bank	7.9
Comerica Bank, Mich.	7.9
Northern Trust, Ill.	7.7
Girard Bank, Pa.	7.7
First of Minneapolis	7.6

$10 million to $50 million

	%
First Merch. Richmond, Va.	10.2
Commerce Union, Tenn.	10.1
Fourth Natl. Wichita, Kan.	10.1
Jefferson Trust, Ill.	9.9
Seattle First Natl., Wash.	9.7
First Jersey Natl., N.J.	9.6
Cullen Bank, Texas	9.3
Fidelity Union, N.J.	9.3
Mercantile Trust, Mo.	9.3
Bankers Trust, N.Y.	9.1

Under $10 million

	%
Allied Bank, Texas	9.6
California First Bank	9.6
Beverly Bank, Ill.	9.3
First of Neenah, Wis.	9.3
Oregon Bank	9.0
Security Trust, Rochester	8.6
First of Penna. Erie, Pa.	8.5
Security Peoples Trust, Pa.	8.5
Puget Sound Natl., Wash.	8.5
Ohio Citizens Trust	8.5

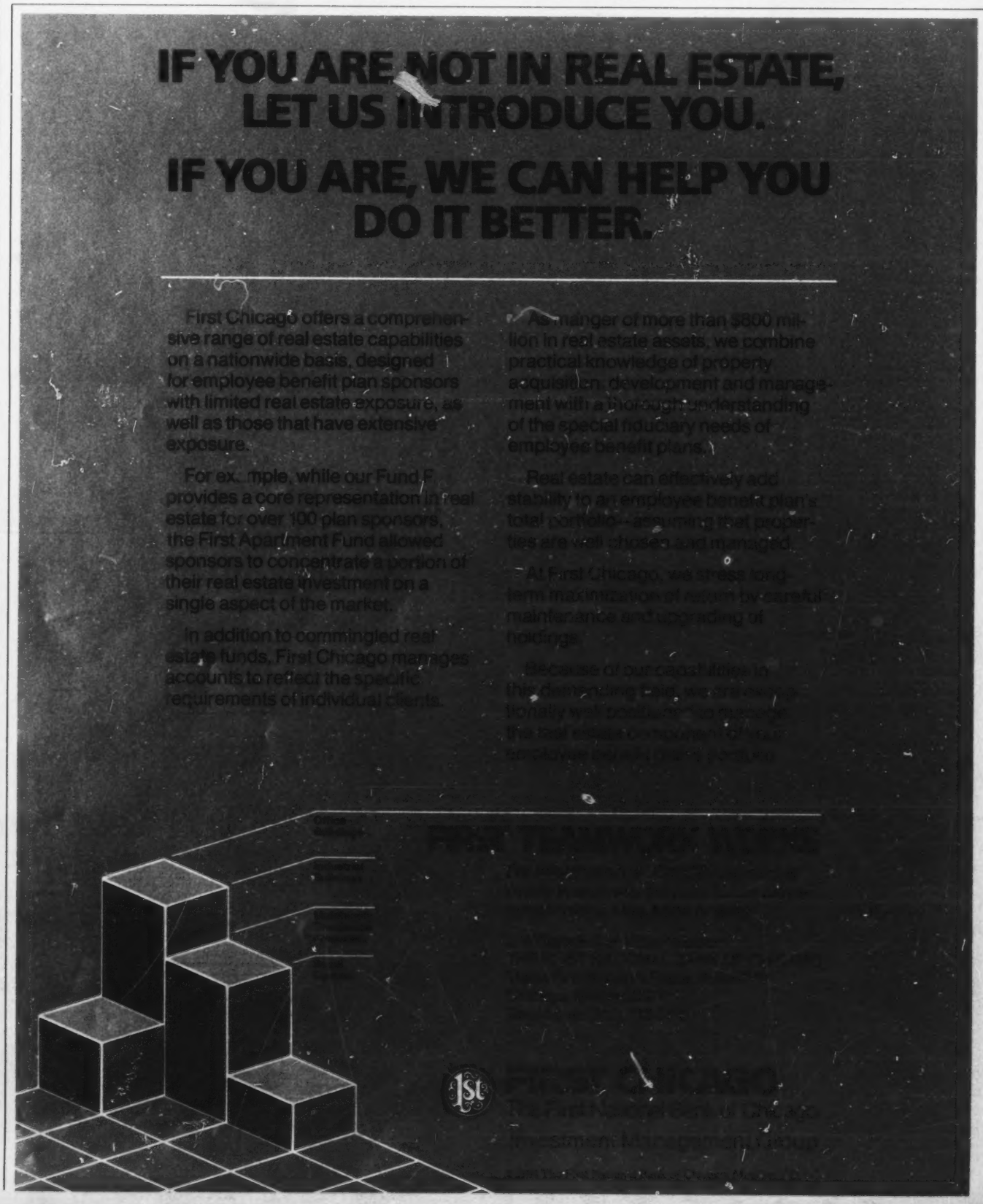
Top quartile commingled fixed-income funds

3-month returns

	%
Landmark First Natl., Fla.	4.4
Mutual of N.Y.	3.2
Southeast Bank, Fla.	3.0
First Natl. Jackson, Miss.	2.8
IAA Trust Co, Ill	2.7
Pioneer Bank, Ill.	2.6
Mutual of N.Y.	2.6
First of Oklahoma	2.6
Lincoln National, Ind.	2.6
City Trust, N.J.	2.5
Olympic Bank, Wash.	2.5
Heritage Trust, Wis.	2.5
Bank of New York	2.5
Lake Shore Natl., Ill.	2.5
Ouachita Natl., La.	2.5
Toledo Trust, Ohio	2.4
Jefferson Trust, Ill.	2.4
Greeley Natl., Colo.	2.4
AmSouth, Ala.	2.4
First of Neenah (M), Wis.	2.4
St. Louis County Bank, Mo.	2.3
Prudential, N.J.	2.3
Merchants Natl., Ala.	2.3
First Kentucky Trust	2.3
First Interstate of Nevada	2.3
Interfirst Invt. Mgmt., Texas	2.3
State Street Bank, Mass.	2.3
First of Elgin, Ill.	2.3
Marine Trust, Wis.	2.3
American Natl. Chicago	2.3
First Interstate of Calif.	2.3
AmeriTrust, Ohio	2.2
American Fletcher, Ind.	2.2
Old Kent, Mich.	2.2
Continental Bank, Pa.	2.2
Mich. Natl. of Grand Rapids	2.2
First Interstate of Oregon	2.2
Merchants Natl. Iowa	2.2
Mercantile Trust, Mo.	2.2
Central Fid. Lynchburg, Va.	2.2
First of Grand Island, Neb.	2.2
Prudential, N.J.	2.2
First of Warsaw, Ind.	2.2
American Fletcher, Ind.	2.2
Colonial Am. Natl., Va.	2.2
Fourth Natl., Tulsa, Okla.	2.1
Florida National Bank	2.1
First Natl. State, N.J.	2.1
First Citizens, N.C.	2.1
Security Pacific, Calif.	2.1
First City Dallas, Texas	2.1
Morgan Guaranty, N.Y.	2.1
First Union Bank, N.C.	2.1
First of Cincinnati	2.1
Marine Bank, Pa.	2.1
Midlantic National, N.J.	2.1
First of Penna, Erie, Pa.	2.1
First of Minneapolis	2.1
Central Fid. Richmond, Va	2.1
Mid-State Bancorp., Pa.	2.1
Oregon Bank	2.1
LBKL Index	**−0.1**

1-year returns

	%
Security Pacific, Calif	17.7
First Variable Life, Ariz.	17.0
Merchants Natl., Ala.	14.1
Mutual of N.Y.	13.4
First Natl., Jackson, Miss.	12.8
Central Fid., Lynchburg, Va.	12.6
Lloyds Bank, Calif.	12.2
Mutual of N.Y.	12.1
First of Neenah (M), Wis.	11.8
Lake Shore Natl., Ill.	11.4
Beverly Bank, Ill.	11.4
Society Natl., Ohio	11.3
Riggs of Washington	11.2
Gary Wheaton Bank, Ill.	11.0
First Interstate of Calif.	10.9
Ouachita Natl., La.	10.9
Key Trust Co., N.Y.	10.8
State Street Bank, Mass.	10.8
California First Bank	10.6
First Merch., Richmond, Va.	10.5
Old Second Natl., Ill.	10.5
Moline National, Ill.	10.4
First Natl. State, N.J.	10.3
Cullen Bank, Texas	10.3
Central Penn., Pa.	10.2
IAA Trust Co., Ill.	10.2
Hamilton Bank, Pa.	10.2
First of Grand Island, Neb.	10.2
First Citizens, N.C.	10.1
Toledo Trust, Ohio	10.0
Security Peoples Trust, Pa.	10.0
Security Natl. Bank, W. Va	9.9
Olympic Bank, Wash.	9.9
First of Warsaw, Ind.	9.7
Fourth Natl., Tulsa, Okla.	9.7
Lincoln National, Ind.	9.7


IF YOU ARE NOT IN REAL ESTATE, LET US INTRODUCE YOU.
IF YOU ARE, WE CAN HELP YOU DO IT BETTER.
First Chicago offers a comprehensive range of real estate capabilities on a nationwide basis, designed for employee benefit plan sponsors with limited real estate exposure, as well as those that have extensive exposure.
For example, while our Fund F provides a core representation in real estate for over 100 plan sponsors, the First Apartment Fund allowed sponsors to concentrate a portion of their real estate investment on a single aspect of the market.
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Real estate can effectively add stability to an employee benefit plan's total portfolio—assuming that properties are well chosen and managed.
At First Chicago, we stress long-term maximization of return by careful maintenance and upgrading of holdings.
Because of our capabilities in this demanding area, we are exceptionally well positioned to manage the real estate component of your employee benefit plan portfolio.
1st

City Trust, N.J.	9.7
Marine Bank, Pa.	9.7
Marquette Natl., Minn.	9.6
Merchants Natl., Iowa	9.6
Southeast Bank, Fla.	9.6
CIGNA Corp, Conn.	9.6
First Wis. Natl., Madison	9.5
Security Trust, Rochester, N.Y.	9.4
Central Fid. Richmond, Va.	9.4
Pioneer Bank, Ill.	9.3
First of Penna., Erie, Pa.	9.3
Equibank, Pa.	9.3
Mid-State Bancorp, Pa.	9.3
Prudential, N.J.	9.3
First Interstate of Nevada	9.3
Security Pacific, Calif.	9.2
Heritage Trust, Wis.	9.2
Midlantic National, N.J.	9.2
Old Kent, Mich.	9.2
Bank of Oklahoma	9.1
Morgan Guaranty, N.Y.	9.1
Marine Midland, N.Y.	9.1
First Kentucky Trust	9.1
Colonial Am. Natl., Va.	9.1
LBKL Index	**-8.0**

3-year returns

	%
First Merch. Richmond, Va.	18.5
First Variable Life, Ariz.	17.7
Cullen Bank, Texas	17.7
Mutual of N.Y.	17.6
First Kentucky Trust	17.6
Allied Bank, Texas	17.3
Lloyds Bank, Calif.	17.0
Marine Trust, Wis.	16.8
Security Peoples Trust, Pa.	16.7
Marine Midland, N.Y.	16.6
Girard Bank, Pa.	16.6
Ohio Citizens Trust	16.5
Union Planters, Tenn.	16.5
Bankers Trust, N.Y.	16.5
State Street Bank, Mass.	16.4
First Natl. State, N.J.	16.3
Fidelity Bank, Pa.	16.3
American Security, D.C.	16.3
First Wis. Natl., Madison	16.3
First of Warsaw, Ind.	16.2
Pioneer Bank, Ill.	16.2
Seattle First Natl., Wash.	16.2
Central Natl., Cleveland	16.2
Central Fid., Lynchburg, Va.	16.1
Commerce Union, Tenn.	16.1
Beverly Bank, Ill.	16.1
Fidelity Union, N.J.	16.1
Mercantile Trust, Mo.	16.0
Colonial Am. Natl., Va.	16.0
Citibank, N.Y.	16.0
First Interstate of Calif.	16.0
Riggs of Washington	15.9
Toledo Trust, Ohio	15.9
Society Natl., Ohio	15.9
Connecticut National Bank	15.9
Wheeling Dollar Bank, W. Va.	15.8
Crocker National, Calif.	15.7
First of Neenah (M), Wis.	15.7
Bank of New England, Mass.	15.6
First Bank Milwaukee	15.6
Key Trust Co., N.Y.	15.5
Mutual of N.Y.	15.5
Landmark Union Trust, Fla.	15.5
Genesee Merchants, Mich.	15.5
Central Penn., Pa.	15.5
Moline National, Ill.	15.5
American Natl. Chicago	15.4
Wachovia Bank, N.C.	15.4
First Natl. of Commerce, La.	15.3
Hamilton Bank, Pa.	15.3
Lincoln National, Ind.	15.3
Centerre Trust, Mo.	15.3
Morgan Guaranty, N.Y.	15.3
Peoples Trust, Ind.	15.3
Maryland National	15.2
United of Denver, Colo.	15.2
Bank of New York	15.2
Gary Wheaton Bank, Ill.	15.2
Irving Trust, N.Y.	15.2
LBKL Index	**15.0**

The master trust issue runs May 28.

5-year returns

	%
Fourth Natl., Wichita, Kan.	13.3
Texas Commerce	13.2
First Merch., Richmond, Va.	13.0
AmeriTrust, Ohio	12.7
Seattle First Natl., Wash.	12.6
Allied Bank, Texas	12.4
First Variable Life, Ark.	12.4
Interfirst Invt. Mgmt., Texas	12.4
Cullen Bank, Texas	12.4
Jefferson Trust, Ill.	12.4
Beverly Bank, Ill.	12.4
Hibernia National, La.	12.2
First Jersey Natl., N.J.	11.9
Fidelity Bank, Pa.	11.9
Riggs of Washington	11.9
First of Kansas City, Mo.	11.8
Manufacturers Hanover, N.Y.	11.7
Bank of New England, Mass.	11.7
Mercantile Trust, Mo.	11.7
American Security, D.C.	11.6
Bankers Trust, N.Y.	11.6
Fidelity Union, N.J.	11.5
First of Penna., Erie, Pa.	11.5
Commerce Union, Tenn.	11.5
Boatmen's National, Mo.	11.5
First Kentucky Trust	11.4
Mid-State Bancorp., Pa.	11.3
American Natl., Austin, Texas	11.3
First Interstate of Calif.	11.2
Security Peoples Trust, Pa.	11.1
First of Neenah (IT), Wis.	11.1
American Natl., Chicago	11.0
Lloyds Bank, Calif.	11.0
Marine Trust, Wis.	11.0
First Wis. Natl., Madison	11.0
First of Neenah (M), Wis.	11.0
Centerre Trust, Mo.	11.0
First of Neenah, Wis.	11.0
Toledo Trust, Ohio	11.0
St. Louis County Bank, Mo.	11.0
First Bank Milwaukee, Wis.	10.9
Oregon Bank	10.9
Pittsburgh Natl., Pa.	10.9
Union Planters, Tenn.	10.9
United of Denver	10.9
Landmark Union Trust, Fla.	10.8
First of Warsaw, Ind.	10.8
Central Fid., Lynchburg, Va.	10.8
BancTexas, Dallas	10.7
North Carolina Natl. Bank	10.7
Puget Sound Natl., Wash.	10.6
Merchants Natl., Pa.	10.6
Gary Wheaton Bank, Ill.	10.6
Hamilton Bank, Pa.	10.6
First of Elgin, Ill.	10.6
First Natl. of Commerce, La.	10.6
LBKL Index	**9.9**

10-year returns

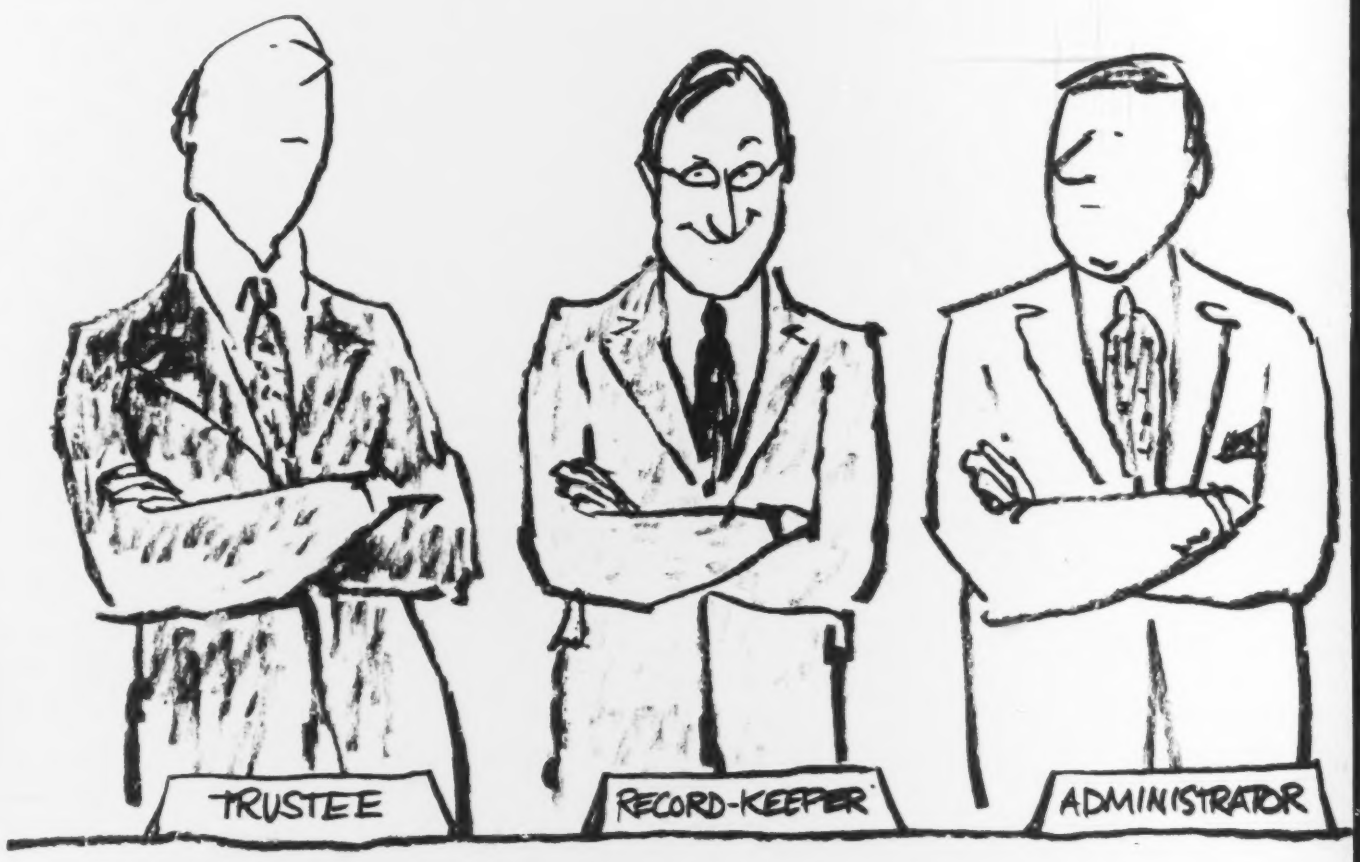
	%
American Security, D.C.	11.0
Hibernia National, La.	10.4
First Merch., Richmond, Va.	10.2
Commerce Union, Tenn.	10.1
Fourth Natl., Wichita, Kan.	10.1
Jefferson Trust, Ill.	9.9
Seattle First Natl., Wash.	9.7
Fidelity Bank, Pa.	9.7
First Jersey Natl., N.J.	9.6
Allied Bank, Texas	9.6
California First Bank	9.6
Manufacturers Hanover, N.Y.	9.4
Texas Commerce	9.4
Cullen Bank, Texas	9.3
Beverly Bank, Ill.	9.3
First of Neenah, Wis.	9.3
US Trust, N.Y.	9.3
Fidelity Union, N.J.	9.3
Mercantile Trust, Mo.	9.3

DIVIDENDS EACH YEAR SINCE 1912

The Board of Directors of ENSERCH Corporation on January 26, 1984, declared a regular quarterly dividend of 40 cents per share of common stock, payable March 5, 1984, to shareholders of record February 17, 1984.

For additional information, please write to Benjamin A. Brown, Vice President, Financial Relations, Dept. H, ENSERCH Center, Box 999, Dallas, Texas 75221.

ENSERCH CORPORATION



All you need when you need them all...

CIGNA Corp., Conn.	9.3
Centerre Trust, Mo.	9.1
Bankers Trust, N.Y.	9.1
First Interstate of Calif.	9.1
Oregon Bank	9.0
First Kentucky Trust	8.8
First Wis. Natl., Madison	8.8
Riggs of Washington	8.8
Third Natl., Nashville, Tenn	8.7
American Natl. Chicago	8.7
Mercantile Safe, Md.	8.6
Security Trust, Rochester, N.Y.	8.6
First of Penna., Erie, Pa.	8.5
Massachusetts Mutual	8.5
Security Peoples Trust, Pa.	8.5
Puget Sound Natl., Wash.	8.5
United Missouri, K.C.	8.5
Lloyds Bank, Calif.	8.5
Landmark Union Trust, Fla.	8.5
North Carolina Natl. Bank	8.5
Ohio Citizens Trust	8.5
LBKL Index	**10.6**

Pensions & Investment Age's *annual directory of investment advisers will be in the April 30 issue.*

Advisers back to basics in slack bond . . .

Continued from page 17

structure our fixed-income accounts," Mr. Wilson explained.

This year, he said, "I think interest rates will come down a little from today's levels during the first half. Long Treasuries will go to 11% or possibly 10.5%.

"Third quarter we'll start to see them trending upward," he reasoned, partly from private loan demand picking up and becoming a problem.

To cope with this scenario, Mr. Wilson explained, "We've taken some money out of the market and shortened maturities."

But he added, "We haven't gone into a really defensive posture yet, and when we do, we'll be selling more bonds and investing the proceeds in shorter maturities or cash equivalents."

For the three years ended Dec. 31, the former First & Merchant's Bank, which is now the Sovran Bank of Richmond, Va., emerged the champion with an 18.5% compound annual return.

The commingled fund, which totals about $20 million, took third place for the five and 10 years ended Dec.31, with returns of 13% and 10.2% respectively.

P.I.P.E.R.

William Schultz, the bank vice president who manages the fund for Sovran, said, "We're somewhat negative on the market for 1984. Interest rates will gradually increase as we go on and inflation along with it.

"Given this overall environment, we've looked for sectors that are defensive in nature.

"We've used high-coupon telephone bonds, which are trading on a yield to call basis. We've also used some new collateralized mortgage obligations backed by GNMA, and some select intermediate corporates with seven- to 10-year maturities which run the gamut on ratings," Mr. Schultz said.

Sovran manages $3 billion in total assets, and pension assets account for about $750 million of that amount.

Other members of the winner's circle for the three-year period were: First Variable Life and Cullen Bank of Houston, Texas, each with 17.7% returns, and MONY and First Kentucky Trust, each with 17.6%.

The median fund gained 14.3% for the period.

For the five years, Fourth National Bank of Wichita, Kan., took first place with a compound annual return of 13.3%.

Sharing the limelight were Texas Commerce Bank, with 13.2%; First & Merchant's (Sovran Bank); AmeriTrust, 12.7%; and Seattle First National Bank, 12.6%. The median fund for the five-year period had a 9.7% return on investment.

American Security in Washington, D.C., was the top fund for the long haul, coming in first for the 10-year period with a compound annual return of 11%.

Hibernia National Bank was second with a 10.4% return. First & Merch_nt's (Sovran) was third and Commerce Union and Fourth National of Wichita shared fourth place at 10.1%. The median fund for the same period saw a return of 7.9%. ■

Additional coverage

In addition to this extract of the annual, and fourth quarter P.I.P.E.R. results, *Pensions & Investment Age* has scheduled quarterly P.I.P.E.R. coverage and extracts on the following dates:

May 14 — first quarter
Aug. 20 — second quarter
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Rulings conflict on asset use in takeovers

Fiduciary held liable for risk to fund

By Joel Chernoff

CHICAGO — Businessman Clyde Engle will have to pay damages to a profit-sharing fund for forcing it to invest in three companies he sought to control — even though the fund racked up a 72% gain in two years from the investments, the 7th U.S. Circuit Court of Appeals has ruled.

The decision in Leigh vs. Engle came as a victory for the U.S. Department of Labor, which had filed a friend-of-the-court brief in the case. The ruling reversed a lower court decision.

The Labor Department is taking a hard line on corporations using plan assets in acquiring other companies or, where the fund owns company stock, forbidding tending the stock in hostile takeover bids.

However, the ruling is at odds with a later decision by the U.S. District Court for the Eastern District of New York. That court threw out the Labor Department's claim for damages against trustees of the Grumman Corp. for forcing its pension fund to buy up company stock at an inflated price to help fend off a takeover bid by LTV Corp.

But the appeals court, whose decision affects jurisdictions in Indiana, Illinois and Wisconsin, saw the issue differently. "ERISA clearly contemplates actions against fiduciaries who profit by using trust assets, even where the plan beneficiaries do not suffer direct financial loss," it ruled.

At issue is not whether the fund incurred losses, but "the *risking* (judges' emphasis) of the trust's assets at least in part to aid the defendants in their acquisition program," the court continued.

Furthermore, the beneficiaries are entitled to a share of the profits gained by the fiduciaries from investing in the same companies. The amount of damages will be based on how much of the fiduciaries' profits are partially or totally attributable to the trust investments.

The appeals court sent the case back to a lower court to determine the level of damages, placing the burden on the fiduciaries for showing how much of their profits were

Continued on page 43

Damages claim against Grumman trustees dismissed

By Richard J. Gillespie

UNIONDALE, N.Y. — Ruling that Grumman Corp.'s pension fund suffered no loss from trustees' actions while fending off a takeover attempt by The LTV Corp., a U.S. District Court judge here dismissed a claim for damages against three Grumman executives by the Department of Labor.

At the same time, Judge Jacob Mishler dismissed a similar claim brought by a member of the plan, Robert J. Lawrence, against the executives and trustees: John Bierwirth, chairman and chief executive officer; Robert Freese, senior vice president; and Carl Paladino, senior vice president of Grumman Aerospace.

The case arose from Grumman's successful efforts to fight off the attempted takeover by LTV in October 1981. The trustees of the Grumman plan refused to tender the plan's Grumman stock to LTV, but bought more of the stock at $38.34 a share when the market price before the LTV offer was much lower.

The Labor Department sued the trustees for breach of fiduciary duty and claimed the defendants had caused the plan to suffer a loss in excess of $20 million.

In his six-page opinion, Judge Mishler ruled the pension fund did not suffer any loss as a result of the trustees' actions, and that therefore, the trustees had no liability to make the plan whole.

(In a contradictory opinion, the 7th U.S. Circuit Court of Appeals ruled that although a plan had enjoyed a 72% gain as the result of purchases of companies targeted for takeover, the defendant was liable to pay damages because of the risk to the plan.

Judge Mishler lifted the injunction brought against the Grumman trustees that had prevented them from further plan dealings in company stock.

Grumman's shares were trading at less than $25 per share immediately prior to LTV's tender offer, announced in October 1981. The Grumman plan purchased about 1.16 million shares of Grumman at an average price of $38.34 per share.

After hearing expert testimony last December, the court agreed the fund suffered an immediate loss of more than $18.6 million as a result of the purchase of Grumman shares.

"That finding, however, does not decide the issue of defendants' liability," stated Judge Mishler.

Citing trust law, he said the obligation of the trustees was to make the plan "whole."

"To make the plan 'whole,' the trustees were required to return the purchase price of the shares of stock, and the loss of investment income, during the period from Oct. 12, 1981, to March 10, 1983," he ruled.

"The net proceeds of the sale of stock and the dividends earned exceeded the 'potential loss.' The trustees' breach did not result in a loss."

Further, Judge Mishler said, "The plaintiff could have exercised his choice and disaffirmed the purchase and demanded the return of purchase price.

"By his failure, the plan has profited."

"The plaintiff's theory would establish a basis for damages if the stock were sold for less than the purchase price of $38.34 per share. The loss would then be the differ-

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Warburg Pincus fund faces Icahn challenge

By Kimberly Blanton

NEW YORK — Warburg Pincus Capital Partners, a partnership of pension funds and other investors, might be forced into competitive bidding against Carl C. Icahn to carry out its planned purchase of ACF Industries Inc.

On Jan. 25, ACF, a New York manufacturer of specialty railroad cars and oil-fuel equipment, announced a tentative agreement to be acquired by Warburg Pincus' partnership for $50 a share, or $420 million.

That pension fund money would be used to purchase ACF was confirmed by one of the pension investors in the partnership. Warburg Pincus would not return repeated telephone calls.

A Securities and Exchange Commission 13-D filing Feb. 25, however, indicates Mr. Icahn is preparing a second bid for ACF that will challenge the agreement with Warburg Pincus. "The registrants are continuing in their efforts to secure financing for an offer to acquire (ACF)," the SEC filing states.

In the filing, Mr. Icahn and Cooper Industries reportedly agreed that Cooper Industries would buy ACF's W-K-M division if Mr. Icahn acquired ACF.

Mr. Icahn, a renowned Wall Street investor, owns 27.2% of ACF's 8.4 million shares of common stock outstanding, and had bid $31 a share for the company last fall.

On Sept. 28, ACF and Mr. Icahn reached a deadlock agreement, which gave ACF seven months to find another buyer. Mr. Icahn retained the option to counter any offer.

ACF also agreed it would not bring a buyer's offer up for shareholder vote until 90 days after announcing it had found a

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ARCO deepens well of private placements

By Joel Chernoff

LOS ANGELES — The Atlantic Richfield Co. pension fund is drilling for profits in the private placement market.

ARCO is one of a relative handful of U.S. pension funds in the private placement field. The fund has a quarter of its $650 million in fixed-income assets in a private placement portfolio, said David Hemstreet, the fund's private placement specialist.

The portfolio, started 6½ years ago by Camron Cooper, now the company's treasurer, was set up to provide the pension fund with incremental returns above those available from bonds, Mr. Hemstreet explained.

The private placement portfolio also reduces volatility for the fund's fixed-income assets, he said, because the assets are marked at book value instead of market value.

While returns promise to be better than in the public credit markets, the work is more detailed, involving Mr. Hemstreet in intricate financing negotiations.

"It's a little different from buying Treasury bonds," Mr. Hemstreet observed.

He started out in ARCO's treasury group as financing manager in 1972. There, he arranged leveraged-lease financings involving tankers and other properties and, thus, was well-suited for running the private placement portfolio.

The portfolio has become increasingly adventurous as it has gained experience in the private placement market. While it was originally limited to AAA rated foreign companies and A rated domestic companies, the portfolio now will look as low as a strong B rating on U.S. firms and AA on foreign ones.

AtlanticRichfieldCompany

The overall quality of the portfolio is AA minus.

For the past year, the portfolio has been seeking out deals with equity kickers to provide yet greater potential returns, Mr. Hemstreet said. However, he would not release names of firms in which he has invested.

"Essentially, we saw the portfolio leveling off in terms of size . . . and we were seeking out additional yield by virtue of focusing on private convertible notes and convertible debentures," he said. ARCO expects the portfolio to remain at 7.5% to 9% of total assets, he added.

Continued on page 44

Late news

Arizona fund overhaul

PHOENIX, Ariz. — The Arizona State Retirement System has fired two managers and hired three in a revamping affecting $1.36 billion of its $3.1 billion fund, according to Max Sullivan, the system's director.

Acting on the advice of two consultants, SEI-Funds Evaluation and the E.F. Hutton Consulting Group, the investment advisory board dropped the equity and balanced accounts of its longest standing manager, Valley National Bank, which were reported to be worth more than $600 million.

But the system boosted, by an unknown amount, a mortgage investment account with Valley National.

The system axed a balanced account with Alliance Capital Management Corp., reported to be worth more than $300 million.

At the same time, Bernstein-Macaulay Inc. was dropped from two of its three Arizona accounts (balanced and fixed-income). But the trustees doubled the fund's exposure to Bernstein-Macaulay's Volatility Capture fund, an account now estimated at $200 million.

After screening 72 firms, the system hired three new balanced managers, each of which will receive more than $300 million in assets, Mr. Sullivan said: Criterion Investment Management of Hous-

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Fund covers massive trade

By Steve Hemmerick

SANTA MONICA, Calif. — The stock market was kept in the dark on the trading of 59 million shares of stock needed to build the Minnesota State Board of Investment's new $1.3 billion index fund, according to Wayne Wagner, a vice president with Wilshire Associates.

Mr. Wagner, responsible for management of the fund, said safeguards were taken to prevent "other agents" from using trading information in the stock or options markets that could have driven up transaction costs for the Minnesota fund.

Last year, the Minnesota board staff came under criticism for liquidating a $500 million stock portfolio for active management (*Pensions & Investment Age*, March 21).

Reportedly, the staff had liquidated such a huge portion of the $500 million portfolio in one day that it drove market prices down significantly in some stocks.

The cash from the stock sale then was turned over in such a way to the newly hired equity managers that the managers bought into a rising market that they, in part, created.

Selling into a down market, or buying into a rising market, makes trading more expensive.

A spokesman for the board disputed the criticism, saying the charges weren't true.

In any case, Mr. Wagner said the index fund, which will track the Wilshire 5,000 index rather than the Standard & Poor's 500 stock index, was put together with "an absolute minimum in execution costs."

Costs were kept low primarily by not letting the market know ahead of time what Wilshire was doing. This was achieved by transferring risks to brokerage firms and by camouflaging trading moves.

Mr. Wagner outlined the transaction process, which he said was protected from "leaks of information."

In nine weeks, he said, 26 million shares worth $1 billion were sold. Proceeds of the sales then were invested in 33 million shares of more than 900 new companies. Although the Wil-

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Holds to deregulatory path

Monks urges new pooled investments

By Joel Chernoff

WASHINGTON — U.S. pension administrator Robert A.G. Monks is urging the nation's investment bankers to develop pooled vehicles in venture capital, real estate and oil and gas to channel pension fund assets toward new enterprises.

Speaking at a conference on employee benefits law sponsored by the Bureau of National Affairs, Mr. Monks strongly hinted that to help the growth of creative vehicles, he will provide a "safe harbor" for pension fund investments in pooled vehicles. In addition, he suggested "new modes of compensation" for pension plan trustees to encourage them to invest in these other vehicles.

In his speech, the former head of The Boston Co. provided further proof that he is bent on continuing the deregulatory policies of his predecessors.

Mr. Monks noted the Employee Retirement Income Security Act liberated trustees from traditional trust law strictures, and is crucial in developing the U.S. economy.

"It may be fair to suggest that ERISA may determine the future of America's free-market economy," he said.

However, Mr. Monks added, "The marketplace has been slow to recognize the potential that ERISA represents.

"Understanding the liberating mechanisms of ERISA should stimulate financiers and industrialists to healthy development of the economy."

Pooled vehicles provide the opportunity for pension funds to invest in non-conventional areas, he said, citing the "revolution" already under way in the secondary mortgage market. Those investments, he added, were aided by a Labor Department regulation clarifying investment parameters under the pension law.

Referring to trustees, Mr. Monks said the "prudent man" concept they historically adhered to might be outdated because "over 20 years, the archetypical 'prudent man' investments have constituted drastic liquidations for the beneficiary . . ."

"While it seemed possible for many decades to earn a 'real' yield from bonds, and for a somewhat longer period from common stocks, it no longer is so," he said.

Trustees now receive flat salaries, yet are held accountable for the failure of a single investment, Mr. Monks said. As a result, they have no incentive to invest their pension funds' assets in non-traditional vehicles, he said.

"In a rather ironic way, beneficiaries are getting what they are paying for — honesty and poor results. Passive management is all that is being paid for, active management may be necessary for acceptable profits. New modes of compensation are called for," he said. ■

Changes threaten disbursing methods

By Richard J. Gillespie

WASHINGTON — The Federal Reserve Board has implemented operational changes that some analysts perceive as a threat to corporate disbursing techniques.

The board also announced it intends to eliminate the practice of remote disbursing altogether.

The moves will affect billions of dollars flowing into corporations from lockboxes and out of corporations through controlled disbursement and remote disbursement points each year.

Cash management

The dollar impact on corporations will depend on the provision of payor services by the Federal Reserve and banks, and their ability to bring accurate information on corporate disbursements by midmorning.

Payor services are services like controlled disbursement that banks provide to corporate customers in the check delivery and process operations.

At a meeting Feb. 15, the board voted to implement the so-called high dollar group sort program April 23.

Under this program, transportation and processing improvements will be introduced to the Federal Reserve's non-city check collection and delivery operations, so-called country points and regional check processing centers.

"The HDGS program is designed to accelerate the collection of checks drawn on institutions located outside Federal Reserve cities that receive a high value of checks," said Elliott McEntee, associate director of Federal Reserve Bank operations.

"Those banks that are part of this program will be treated as if they were located in Federal Reserve cities; checks will be collected just as fast and they will be getting presentment as late as noon," he said.

As a result of the improvements, corporations will enjoy more rapid collection of lockbox receipts, but on the other side, they will experience some problems in disbursement accounts with the now-later deadlines on items presented to them for payment.

"If payor services are adequately provided, I do not think it will have a significant impact on most companies," said Jim Carter, director of cash and banking at TRW Corp.

"If the payor services are not provided in an acceptable manner, and if the amount of the second presentment is large, it will have a

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Late news

Continued from page 1

ton, Wells Fargo Investment Advisers, and Gardner and Preston Moss of Boston.

The system is debating whether to set up a semiactively managed, zero-coupon bond fund, he said.

Arizona State retained Fiduciary Trust and Capital Financial Services as balanced managers.

Los Angeles appoints

LOS ANGELES — The Los Angeles City Employees Retirement System has hired six new equity managers — Alliance Capital Management Corp., San Francisco; Investment Advisers Inc., Minneapolis; M.D. Sass, New York; Nicholas B. Kronwall, Tucson, Ariz.; Provident Capital Management, Philadelphia; and Security Pacific Investment Management, Los Angeles.

Five of the managers will be given $50 million from cash, new contributions, and assets from previous managers. Nicholas B. Kronwall will be given $25 million, according to Oscar Peters, assistant manager of the $1.1 billion fund. An existing manager, Loomis, Sayles & Co., Los Angeles, also was given $50 million.

PBGC investigation

WASHINGTON — Rep. Edward R. Roybal, D-Calif., chairman of the House Select Committee on Aging, plans to ask the General Accounting Office to investigate the Pension Benefit Guaranty Corp.'s investment policies, according to a congressional aide. The GAO will be asked to review the termination of the investment policy panel, formerly a subgroup of the PBGC Advisory Committee.

S&P 500 fund started

SEATTLE — The $275 million Seattle City Employees' Retirement System has decided to place $12 million in an S&P 500 Index fund with Wells Fargo Investment Advisors, San Francisco, according to Roger A. Howeiler, executive director. It also has chosen the Bank of New York as its custodian, and will move securities held in-house to the bank.

Graniteville termination

WASHINGTON — Financier Victor Posner will wind up with about $35 million in excess assets from terminating two pension plans of Graniteville Co.

A firm controlled by Mr. Posner, Southeastern Public Service Co., Miami, recently acquired 85% of the fabric manufacturer based in Graniteville, S.C. Southeastern plans to buy the rest, according to Graniteville officials.

The Pension Benefit Guaranty Corp. approved the termination of Graniteville's hourly and salaried pension plans with combined assets of about $58 million. Southeastern could not be reached for comment.

Darby to join E.W. Axe

TARRYTOWN, N.Y.— Stephen J. Darby Jr. will be joining E.W. Axe & Co., Tarrytown, N.Y., as president March 12, according to John Schroeder, chairman. Mr. Darby, who is vice president and assistant director of investment counseling for Massachusetts Financial Services Co., will oversee sales and marketing activities.

Portfolio switched

OAK BROOK, Ill. — Interlake Inc. is transferring its existing $95 million dedicated bond portfolio to Continental Illinois National Bank & Trust Co., Chicago, according to Raymond T. Anderson, treasurer.

Mr. Anderson declined to name the portfolio's previous manager, but indicated Interlake moved the fund because Continental's management fees were lower. Continental is master trustee for Interlake's $300 million pension fund.

Silverness to form firm

MINNEAPOLIS — Richard Silverness, Wilshire Associates' Midwest representative for 10 years and a partner of the firm for the past three, is leaving to start his own firm, effective April 30.

Mr. Silverness helped Wilshire, previously only a consultant, gain its first investment account, a $1 billion index fund assignment from the Minnesota State Board of Investment last fall.

His firm, Investment Marketing & Services Co., will market the investment services of managers.

Union fund revamped

ST. PAUL, Minn. — Twin Cities Carpenters & Joiners District Council has hired two new balanced managers and a new custodian. First Trust Co. of St. Paul had been the sole money manager.

The multiemployer pension plan is reallocating about $60 million of the $80 million First Trust manages. Investment Advisers Inc., Minneapolis, will get $25.6 million, the largest share. Norwest Bank St. Paul will get $19.2 million. Union Bank & Trust Co., Minneapolis, which will be the new custodian, also will handle the $16 million real estate portfolio.

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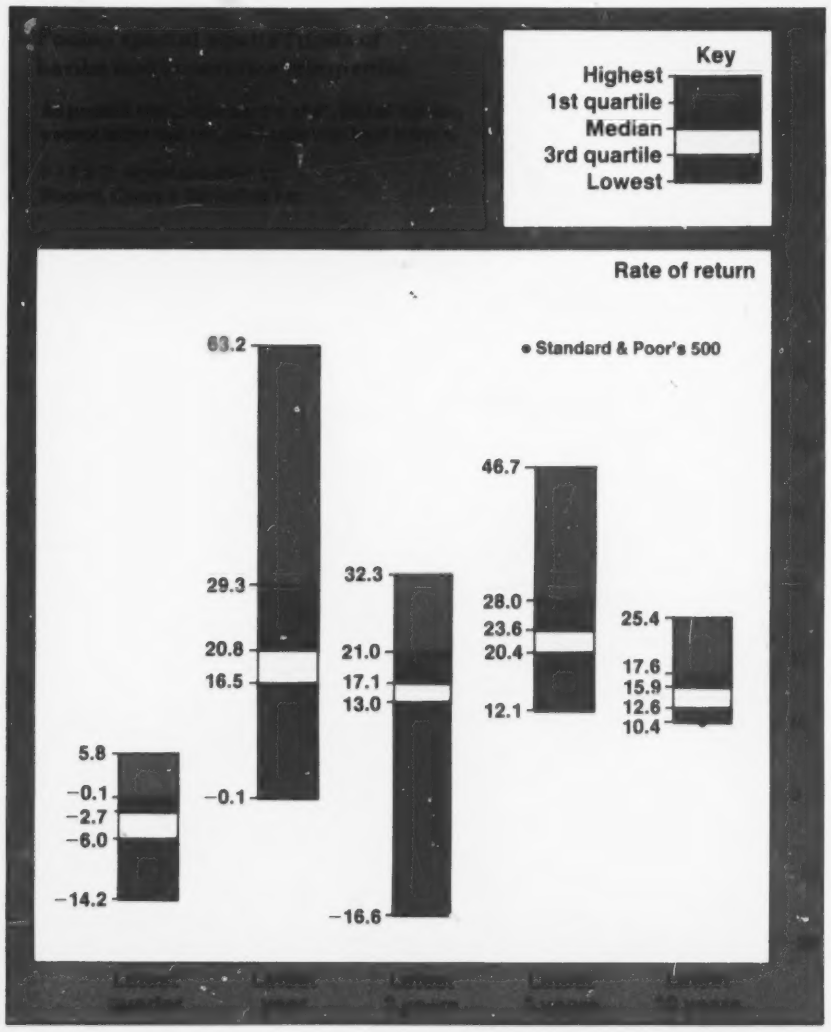

Funds have good year despite technology drop

By Barry B. Burr

CHICAGO — Although many technology stocks fell out of favor during 1983, two San Diego-based special equity managers turned tidy profits buying semiconductor and other technology issues.

California First Bank's special equity portfolio, which is managed aggressively to seek high but risky returns, earned 63.2% for 1983. That was the highest return of the 100 special equity portfolios of large banks and insurance companies surveyed in the Pensions and Investments' Performance Evaluation Report.

Security Pacific Corp.'s money management subsidiary, Pacific Century Group ranked second highest, earning 47.4%.

However, most special equity portfolios underperformed the market in 1983, as measured by the Standard & Poor's 500 stock index. The PIPER median return for the year was 20.8%; just 43 of the 100 portfolios equaled or bettered the S&P return of 22.6%.

In the fourth quarter, performances were worse. Just 23 of the 103 banks and insurance companies evaluated in the quarter earned at least as much as the S&P return of 0.4%. The median portfolio lost 2.7%.

The top performer in the fourth quarter — National Bank of Commerce, Memphis, Tenn. — returned 5.8%. For the year, it returned 22.3%, just slightly less than the S&P benchmark.

Even California First got hurt in the fourth quarter, said Kenneth McCain, the vice president who handles the special equity portfolio: "We did a -4%." Security Pacific's unit had a return of -6.6% for the quarter.

But both did well on the year because of earlier gains.

California First's portfolio, for example, was up 88% after the first half of the year, a performance typical of other top earning portfolios on the year. None did well in the final quarter.

Explaining California First's stock picks in 1983, Mr. McCain said, "A lot of special equity managers tend to go into technology because that is where the high growth is. We avoided a lot of technology potholes — (but) we still hold a lot of technology stocks."

In 1983, the heaviest weighting in California First's portfolio was in semiconductor maker, semiconductor distributor and semiconductor capital equipment stocks.

The largest position, 5% of its portfolio, was in **Advanced Semiconductor Material International**. Its next largest position, 4%, was in **Intel Corp.** California First also owned **Advanced Micro Devices Inc.** In all, it owned 14 semiconductor issues, amounting to more than 50% of its $31 million special equity portfolio.

Another 15% of its portfolio was in computer-aid engineering stocks, such as **Apollo Computer**, **Mentor Graphics** and **Daisy Systems**.

Among other stocks, it held **Optical Radiation**, comprising the third largest position of its portfolio, at about 4%.

But not all of California First's stocks performed well. One disappointment was **Wavetek**. The bank sold it, taking a loss of 40%.

Wavetek, Mr. McCain said, had production problems and missed some contracts. But the main problem, he said, was the company was "less than forthright with investors" about its troubles. They knew of these problems," he said. "They could have explained them to the Street. Needless to say, they didn't. You had a credibility problem. You had a number of analysts recommending the stock" based on misleading information.

One "pothole" California First avoided

Continued on page 14

Special equity performance

Cumulative periods ending 12/31/83

	No. of years 1	5	10	DCR
	%			
American Fletcher, Ind.	18.3	(1)	(1)	—
American National, Minn.	14.3	12.1	(1)	—
American Security, D.C.	38.9	(1)	(1)	—
AmeriTrust (Growth), Ohio	22.3	23.4	18.3	2
AmeriTrust (Tech.), Ohio	4.0	(1)	(1)	—
Bank of America, Calif.	30.1	29.2	17.6	3
Bank of California	20.6	(1)	(1)	—
Bank of New York (A)	20.2	21.7	(1)	—
Bank of New York (B)	32.1	(1)	(1)	—
Bank of Southwest, Texas	16.1	27.5	(1)	—
Bank One, Ohio	15.5	(1)	(1)	—
Bankers Trust, N.Y.	20.6	31.4	18.3	2
California First Bank	63.2	46.7	22.3	1
Central Fid., Lynchburg, Va.	12.9	18.4	10.9	10
Central Fid., Richmond, Va.	15.3	23.5	(1)	—
Central Trust, Ohio	10.1	20.5	(1)	—
Chase Manhattan (Int. Cap), N.Y.	20.6	24.8	(1)	—
Chase Manhattan (Special), N.Y.	25.4	28.3	18.9	1
Chase Manhattan (Value), N.Y.	33.4	(1)	(1)	—
Chemical Bank (F), N.Y.	18.9	31.1	14.0	7
Chemical Bank, N.Y.	16.3	22.3	(1)	—
Citibank (F), N.Y.	25.8	28.2	16.4	4
Citibank (R.E.), N.Y.	20.5	(1)	(1)	—
Citibank (Res.), N.Y.	20.0	(1)	(1)	—
Citibank (Special), N.Y.	29.4	25.9	13.5	8
Citizens & Southern, Ga.	15.7	14.4	12.3	9
City Trust, N.J.	14.5	(1)	(1)	—
Connecticut National Bank	39.4	(1)	(1)	—
Continental Illinois	22.1	34.6	15.9	6
Equitable Life, N.Y.	31.3	32.1	17.7	2
Fidelity Mgmt. Trust, Mass.	43.6	(1)	(1)	—
First Interstate of Calif.	20.4	(1)	(1)	—
First Interstate of Nevada	10.7	25.7	(1)	—
First Natl. of Tulsa, Okla.	15.7	(1)	(1)	—
First of Boston II	25.1	(1)	(1)	—
First of Boston	26.0	(1)	(1)	—
First of Chicago	31.9	24.2	15.4	6
First of Grand Island, Neb.	19.5	(1)	(1)	—
First of Minneapolis	21.0	(1)	(1)	—
First of Neenah (Cap.app.), Wis.	20.4	(1)	(1)	—
First of Neenah (Stock), Wis.	17.6	15.7	(1)	—
First Pennsylvania Bank	29.6	23.4	17.3	3
First Tennessee, Memphis	13.0	20.3	(1)	—
First Trust St. Paul, Minn.	27.5	20.9	11.5	9
First Wisconsin Trust	19.2	21.3	16.2	4
Gary Wheaton Bank, Ill.	16.2	(1)	(1)	—
Girard Bank, Pa.	16.7	(1)	(1)	—
Harris Trust	6.0	17.1	14.5	7
HT Investors, R.I.	24.4	24.5	12.5	8
Interfirst Invt. Mgmt., Texas	18.5	27.2	13.9	7
Irving Trust, N.Y.	23.1	24.9	14.5	7
Kellogg Bank, Wis.	17.4	20.7	15.9	5
Kellogg Bank (High Risk), Wis.	-0.1	(1)	(1)	—
Manufacturers Hanover, N.Y.	23.6	23.7	16.4	4
Manufacturers Hanover (Sup.), N.Y.	22.1	24.9	(1)	—
Manufacturers Hanover, N.Y.	41.4	(1)	(1)	—
Maryland National	28.4	14.8	(1)	—
Mellon Bank (Fund), Pa.	20.0	(1)	(1)	—
Mellon Bank (Sup.), Pa.	25.7	20.6	(1)	—
Mercantile at Dallas	27.1	36.2	25.4	1
Mercantile Trust, Mo.	34.0	(1)	(1)	—
Merchants National, Ala.	35.1	28.3	11.9	9
Merchants National (2), Ind.	19.8	18.1	12.6	8
Merchants National, Pa.	14.5	(1)	(1)	—
Metropolitan Life, N.Y.	19.3	20.8	10.4	10
Midlantic National, N.J.	20.5	(1)	(1)	—
Morgan Guaranty (Int.), N.Y.	19.4	17.8	12.3	9
Morgan Guaranty (SSI), N.Y.	17.3	25.7	16.1	5
Morgan Guaranty, N.Y.	33.8	(1)	(1)	—
Mutual of N.Y.	22.7	16.2	(1)	—
Natl. Bank of Detroit	29.6	(1)	(1)	—
Natl. City Cleveland	33.0	24.5	18.0	2
Natl. of Commerce, Tenn.	22.3	(1)	(1)	—
Northern Central, Pa.	12.7	39.7	(1)	—
Northern Trust, Ill.	21.0	(1)	(1)	—
Norwest Bank, Minn.	23.5	31.4	17.6	3
Old Second Natl., Ill.	15.5	15.9	(1)	—
Oregon Bank	19.7	(1)	(1)	—
Pittsburgh National	14.0	(1)	(1)	—
Provident National, Pa.	36.1	25.6	16.4	4
Prudential (Midco), N.J.	29.2	(1)	(1)	—
Prudential, (Priform), N.J.	30.5	(1)	(1)	—
Prudential (Smallco), N.J.	31.1	33.7	(1)	—
RepublicBank (Select) Dallas	44.3	(1)	(1)	—
RepublicBank (Special) Dallas	14.2	23.6	15.9	5
Seattle First National	20.9	20.2	(1)	—
Security Pacific, Calif.	47.4	(1)	(1)	—
Shawmut of Boston (Tech.)	25.9	(1)	(1)	—
Shawmut of Boston (Value)	24.2	(1)	(1)	—
Summit & Elizabeth, N.J.	13.9	(1)	(1)	—
Texas American Bank	16.9	22.3	(1)	—
Third Natl., Nashville, Tenn.	14.8	21.6	15.3	6
Trust Co. of Georgia (Ret.)	8.0	(1)	(1)	—
Trust Co. of Georgia	16.7	(1)	(1)	—
Trust Co. of the West	42.1	(1)	(1)	—
United Virginia Bank	30.0	(1)	(1)	—
Virginia National	10.5	(1)	(1)	—
Wachovia Bank (Dir.Cap), N.C.	23.0	(1)	(1)	—
Wachovia Bank, (Div.Spe.)N.C.	35.9	(1)	(1)	—
Standard & Poor's 500	**22.6**	**17.3**	**10.7**	**10**

(1) - Fund too new.
DCR - 10-year decile rank.

PIPER is compiled by Rogers, Casey & Barksdale Inc., Stamford, Conn.

PIPER

Top quartile commingled special-equity funds

3-month returns

	%
Natl. of Commerce, Tenn.	5.8
Valencia Bank, Calif.	5.2
Shawmut of Boston	3.7
Natl. Bank of Detroit	3.6
American National, Minn.	2.9
First of Chicago	2.6
Chase Manhattan, N.Y.	2.5
Wachovia Bank, N.C.	2.5
First of Boston	2.4
First Interstate of Nevada	2.1
Prudential, N.J.	1.9
Gary Wheaton Bank, Ill.	1.4
Manufacturers Hanover, N.Y.	1.1
Morgan Guaranty, N.Y.	1.1
Old Second Natl., Ill.	0.9
Provident National, Pa.	0.9
Mutual of N.Y.	0.8
Oregon Bank	0.7
American Fletcher, Ind.	0.6
Trust Co. of Georgia	0.5
Mellon Bank, Pa.	0.3
Equitable Life, N.Y.	0.1
Manufacturers Hanover, N.Y.	0.0
RepublicBank Dallas	0.0
Citibank, N.Y.	−0.1
Standard & Poor's 500	**0.4**

1-year returns

	%
California First Bank	63.2
Security Pacific, Calif.	47.4
RepublicBank Dallas	44.3
Fidelity Mgmt. Trust, Mass.	43.6
Trust Co. of the West	42.1
Manufacturers Hanover, N.Y.	41.4
Connecticut National Bank	39.4
American Security, D.C.	38.9
Provident National, Pa.	36.1
Wachovia Bank, N.C.	35.9
Merchants National, Ala.	35.1
Mercantile Trust, Mo.	34.0
Morgan Guaranty, N.Y.	33.8
Chase Manhattan, N.Y.	33.4
Natl. City Cleveland	33.0
Bank of New York	32.1
First of Chicago	31.9
Equitable Life, N.Y.	31.3
Prudential, N.J.	31.1
Prudential, N.J.	30.5
Bank of America, Calif.	30.1
United Virginia Bank	30.0
Natl. Bank of Detroit	29.6
First Pennsylvania Bank	29.6
Citibank, N.Y.	29.4
Standard & Poor's 500	**22.6**

3-year returns

	%
California First Bank	32.3
Chase Manhattan, N.Y.	26.0
Central Fid. Richmond, Va.	24.3
First of Chicago	24.1
Chase Manhattan, N.Y.	23.9
Norwest Bank, Minn.	23.9
Citibank, N.Y.	23.7
Prudential, N.J.	23.3
Manufacturers Hanover, N.Y.	23.1
Mercantile at Dallas	23.0
Merchants National, Ala	22.8
Connecticut National Bank	22.3
Provident National, Pa.	22.1
Midlantic National, N.J.	21.5
First Interstate of Nevada	21.4
Chase Manhattan, N.Y.	21.2
Trust Co. of Georgia	21.0
Continental Illinois	21.0
First Pennsylvania Bank	21.0
First Trust St. Paul, Minn.	21.0
Standard & Poor's 500	**12.3**

5-year returns

	%
California First Bank	46.7
Northern Central, Pa.	39.7
Mercantile at Dallas	36.2
Continental Illinois	34.6
Prudential, N.J.	33.7
Equitable Life, N.Y.	32.1
Norwest Bank, Minn.	31.4
Bankers Trust, N.Y.	31.4
Chemical Bank, N.Y.	31.1
Bank of America, Calif.	29.2
Merchants National, Ala.	28.3
Chase Manhattan, N.Y.	28.3
Citibank, N.Y.	28.2
Standard & Poor's 500	**17.4**

10-year returns

	%
Mercantile at Dallas	25.4
California First Bank	22.3
Chase Manhattan, N.Y.	18.9
AmeriTrust, Ohio	18.3
Bankers Trust, N.Y.	18.3
Natl. City Cleveland	18.0
Equitable Life, N.Y.	17.7
Norwest Bank, Minn.	17.6
Bank of America, Calif.	17.6
Standard & Poor's 500	**10.7**

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Funds have . . .

Continued from page 13

was **Apple Computer**, which during 1983 reached a high in the 60s. The bank sold its shares on the way down, at 54. But in 1984, with Apple in the 20s, California First again is buying the stock.

Security Pacific's Pacific Century Group also performed well with semiconductor and other technology stocks, according to Arthur E. Nicholas, the executive vice president who directs the equity investments.

Like California First, Pacific Century Group bought **Advanced Micro Devices**. Its portfolio also included **KLA Instruments**, **Emulex** and **Ultimate**.

Mr. Nicholas said it did well with non-technology issues, too, such as **Cannon Group** (a film maker), **Valueline**, **America Air West**, **Textone**, **AAR** and **Amcast**.

One of Security Pacific's losers was **Hybritech**.

For the fourth quarter, National Bank of Commerce had a different composition of its portfolio. Alex G. Conaway, portfolio manager, said two of the Memphis bank's successful stocks in the quarter were **American Furniture** and **Management Assistance**.

These firms, he said, fit a criterion of the portfolio's strategy: they have two divisions, one doing badly and the other doing well. Their stocks tend to trade at prices based on the weak division, he said.

Thus, National Bank of Commerce bought the stocks in hope of a turnaround at the companies, either by spinning off the weak operations or improving them.

Mr. Conaway said the Memphis bank primarily — but not always — buys equities of small, little followed companies. At times, it also owned **Southern Pacific Co.**, **Texas Air** and **Seagrams**.

For the long term — three, five and 10 years — several special equity managers have performed consistently well. Some managers, like Security Pacific, whose special equity portfolio is only 30 months old, are not included in the longer-term evaluations.

Besides leading in 1983, California First was at the top of PIPER special equity funds for the three- and five-year periods, returning 32.3% and 46.7% respectively. For 10 years, it ranked second with 22.3%.

The nine best performing portfolios for the 10-year period also did well for the five- and one-year periods as well.

The funds are Mercantile at Dallas; California First; Chase Manhattan; AmeriTrust; Bankers Trust; National City, Cleveland; Equitable; Norwest Bank, Minneapolis; and Bank of America. ■